

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

## **An Act To Protect Maine Citizens' Credit**

**Be it enacted by the People of the State of Maine as follows:**

**Sec. 1. 10 MRSA §1312, sub-§9-A** is enacted to read:

**9-A. Necessary medical treatment.** "Necessary medical treatment" means medical treatment for a life-threatening condition without which death is probable.

**Sec. 2. 10 MRSA §1320, sub-§3-A,** as enacted by PL 1993, c. 365, §1, is amended to read:

**3-A. Medical expenses debts; court or administrative orders.**Except as provided in section 1331, a debt collector may report overdue medical expenses for a minor child to a consumer reporting agency only in the name of the responsible party identified in a court order or administrative order if the debt collector is notified orally or in writing of the existence of the order. In addition, a report may not be made until after the debt collector has notified, or made a good faith effort to notify, the responsible party of that party's obligation to pay the overdue medical expenses. Existing information regarding overdue medical expenses for a minor child in the name of a person other than the responsible party identified in a court order or administrative order is considered inaccurate information for the purposes of section 1317 and is subject to correction. A debt collector or consumer reporting agency may request reasonable verification of the order, including a certified copy of the order.

**Sec. 3. 10 MRSA §1331** is enacted to read:

### **§ 1331. Reporting of information related to debt resulting from necessary medical treatment**

**1. Furnishing information to credit reporting agency prohibited.** As long as minimum payments are made to the provider of necessary medical treatment, information regarding a debt owed for necessary medical treatment provided to a consumer whose income is under 400% of the federal poverty level or to a person to whom that consumer has a legal obligation to provide support may not be furnished to a credit reporting agency by:

A. A licensed physician, medical practitioner, hospital, clinic or other medical or medically related facility that provided the necessary medical treatment; or

B. A debt collector.

**2. Civil liability.** A person that willfully and knowingly violates subsection 1 is liable to the consumer about whom information was furnished in an amount equal to the greatest of:

A. Three times the amount of actual damages sustained by the consumer as a result of the violation;

B. One thousand dollars plus reasonable attorney's fees and court costs as determined by the court; and

C. Damages awarded under section 1322.

**3. Remedies not affected.** Nothing in this section may be construed as a limitation on the right of a licensed physician, medical practitioner, hospital, clinic or other medical or medically related facility or debt collector seeking payment of an unpaid medical bill to pursue all available legal remedies under this Act or under other principles of law or equity.

## SUMMARY

This bill amends the Fair Credit Reporting Act to provide that, as long as minimum payments are made to the provider of necessary medical treatment, information regarding a debt owed for necessary medical treatment provided to a consumer whose income is under 400% of the federal poverty level, or to a person to whom that consumer has a legal obligation to provide support, may not be furnished to a credit reporting agency by a debt collector or by the medical entity that provided the necessary medical treatment.